

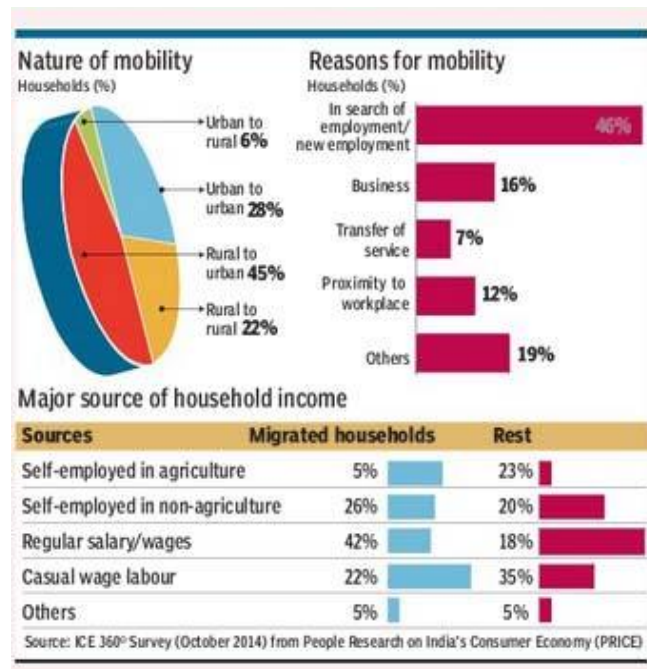
Linking work-related mobility with well-being

Rajesh Shukla | The Financial Express | October 2, 2015, 01:43 am

A two-way flow of people, ideas and financial resources does better for the economy than a one-directional rural-urban mobility that has become the norm.

Indians are perhaps the most mobile people globally. The Indian Railways alone—which is the third-largest railway network in the world—carries 23 million passengers over the length and breadth of the country daily. According to the 2011 Census, the number of internal migrants—people who migrated from one location to another within the country—soared to 400 million and was nearly double that of the estimated number of internal migrants in China. These migrants constitute nearly a third of the Indian population and account for estimated remittances of R70,000 crore to R1.2 lakh crore. A large segment of these migrants would be the ‘floating population’, consisting of people who provide cheap farm and construction labour and send back remittances to their families who are stationed in villages. These migrants do not have the resources to create assets and are also among the poorest with little access to formal channels of education and healthcare.

People mobility is often triggered by well-being factors, including those arising out of personal considerations such as marriage and family or safety. Displacement due to riots, politically-motivated upheavals and natural disasters are also a common phenomenon. Significantly, more and more people leave their ancestral and native homes in search of better employment opportunities. The ICE 360 Survey 2014 findings reveal that nearly 10%—or 27 million households—have left their native homes and are residing in a different location. Between 19% and 25% of urban households reported that they had made the shift from their native places to their current location. Significantly, 10% of households in the Developed Rural also had made a similar move.



While the general perception that those who have moved away from their native places are headed to the urban areas is correct to a large extent—nearly 45% of those that have left their native place fall in this category—a significant proportion has also moved from one rural location to another (22%). Nearly 28% urban households reported that they had made the shift from one urban location to another.

Most of those who have moved away from their original place of domicile have done so in search of better job opportunities (46%). Nearly 16% cite business reasons for their move. Transfer of job/service and proximity to workplace are the other significant reasons. Clearly, then, search for work is one of the primary reasons that people leave their native place. A large majority (57%) of those who have left have family

members in their native places. Nearly 30% of this segment sends money back to their family members while 44% said they don't send any.

Among the states that have witnessed an influx of migrants are Punjab, Haryana, Karnataka and Gujarat. Nearly 44% of people who have moved to Punjab hail from Uttar Pradesh. Significantly, nearly 29% are those who have shifted from one part of Punjab to another. Such inter-state mobility of households is witnessed in Haryana (54%) and Gujarat (60%) as well.

Does work-related mobility have a positive impact on the well-being of households? Statistics reveal a strong correlation between the two. Nearly 40% of migrant households are among the top quintile households (or the richest) compared to just 9% in the bottom quintile. The median annual income and expenditure of migrant households is higher for migrant households at R1,98,000 and R1,84,600, respectively. The corresponding figures for non-migrant households are R1,46,000 and R1,24,000, respectively. In terms of savings, nearly 45% of these households reported they had increased their savings while 26% claimed there had been no change in their savings.

On the positive side, the fact that a majority of migrant households (42%) are engaged in salaried employment and 26% in self-employed, non-agricultural work has led to better lifestyles and income. With migrant households doing better than non-migrant on parameters of income, expenditure and savings, it is not surprising that education-wise too these households are among the better-educated ones—29% of households have at least one member who is a graduate or has higher qualifications and 24% have a family member who has passed higher secondary.

There are significant community-level downsides to the displacement of people as well. For one, it adds to the burden on urban infrastructure and resources. Our findings show that nearly 61% who left their native homes have been stationed at their current location for more than 10 years. Secondly, there is a further breakdown in the financial well-being of those who are left behind. It has been observed that of the 57% who left their native homes for other locations, nearly 44% did not have any financial transactions with the family members who stayed behind. Thirdly, as better educated people move out of their home towns due to lack of opportunities, it has an adverse societal impact on those who are left behind. Lack of local role models creates a community environment that is not encouraging, further creating a downward spiral of dead-end jobs and domestic brain drain. In the absence of an invigorating economic environment, skill development and work productivity are also adversely affected.

The dark side of internal mobility is the geographical disparity that it creates for economic growth. For instance, while Bangalore and Hyderabad have benefited from the influx of skilled people due to their reputation as IT and science hubs, other towns are unable to attract skilled workforce and it further dampens their economic growth. As the government focuses on creating smart cities, there is sufficient reason to consider that such issues create equitable opportunities for better inclusive economic growth and distribution of resources. This approach would also create a more self-sustaining and mutually-beneficial environment for the towns and the people in adjoining localities. It would also help address the issues of 'floating migrant population' who are forced to travel long distances in search of employment and end up doing work that the locals shun. A two-way flow of people, ideas and financial resources from and to the native home towns is a far better phenomenon than a one-directional rural-urban mobility that has become the norm.

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